



## TEXAS DEPARTMENT OF INSURANCE

### Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)

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## MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

### GENERAL INFORMATION

**Requestor Name**

Texas Spine and Joint Hospital

**Respondent Name**

Liberty Mutual Insurance

**MFDR Tracking Number**

M4-18-0907-01

**Carrier's Austin Representative**

Box Number 01

**MFDR Date Received**

December 4, 2017

### REQUESTOR'S POSITION SUMMARY

**Requestor's Position Summary:** "...However, the Hospital's position is that the bill is coded correctly and is payable under the fee guidelines. Additionally, the Hospital provided the medically necessary procedure which was authorized by Liberty Mutual, and should be reimbursed accordingly."

**Amount in Dispute:** \$9,175.00

### RESPONDENT'S POSITION SUMMARY

**Respondent's Position Summary:** "The bill has been reviewed and denial is correct. The provider submitted bill with CPT 27096-50 which has a status indicator B under CMS OPPS rules. This codes is not recognized under CMS OPPS."

**Response Submitted by:** Liberty Mutual

### SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
January 12, 2017	27096 -50	\$9,175.00	\$0.00

### FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation.

**Background**

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.403 sets out the requirements for hospital outpatient medical claims.
3. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
  - ESIB – According to CMS Rules, status indicator B codes are not payable on OPPS
  - 193 – Recommendation of payment has been based on a procedure code which best describes services rendered

## Issues

1. Are the insurance carrier's reasons for denial or reduction of payment supported?

## Findings

1. Texas Spine and Joint is seeking reimbursement in the amount of \$9,175 for outpatient hospital services performed on January 12, 2017. The insurance carrier denied disputed services with claim adjustment reason code ESIB – "According to CMS Rules, status indicator B codes are not payable on OPPS."

28 Texas Administrative Code §134.403(d) states in pertinent part,

For coding, billing, reporting, and reimbursement of health care covered in this section, Texas workers' compensation system participants shall apply Medicare payment policies in effect on the date a service is provided

The Medicare payment policy found at <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c04.pdf>, Chapter 4, Section 10.1.1, states,

An OPPS payment status indicator is assigned to every HCPCS code. The status indicator identifies whether the service described by the HCPCS code is paid under the OPPS and if so, whether payment is made separately or packaged. The status indicator may also provide additional information about how the code is paid under the OPPS or under another payment system or fee schedule.

Review of the Medicare Addendum B for OPPS at <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/HospitalOutpatientPPS/Hospital-Outpatient-Regulations-and-Notices-Items/CMS-1656-FC.html?DLPage=1&DLEntries=10&DLSort=2&DLSortDir=descending> for the date of service January 12, 2017 found the following;

	Addendum B.-Final OPPS Payment by HCPCS Code for CY 2017	
HCPCS Code	Short Descriptor	SI
27096	Inject sacroiliac joint	B

Review of the Medicare Addendum D1 for OPPS at the above named link for the date of service January 12, 2017 found the following;

### **ADDENDUM D1.– OPPS PAYMENT STATUS INDICATORS FOR CY 2017**

Status Indicator	Item/Code/Service	OPPS Payment Status
B	Codes that are not recognized by OPPS when submitted on an outpatient hospital Part B bill type (12x and 13x).	Not paid under OPPS.

Based on the above, the insurance carrier's denial reason is supported. Additional reimbursement cannot be recommended.

## Conclusion

For the reasons stated above, the Division finds that the requestor has not established that additional reimbursement is due. As a result, the amount ordered is \$0.00.

## **ORDER**

Based on the submitted information, pursuant to Texas Labor Code Section 413.031, the division hereby determines the requestor is entitled to \$0.00 additional reimbursement for the services in dispute.

## Authorized Signature

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Signature

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Medical Fee Dispute Resolution Officer

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December 29, 2017  
Date

### ***YOUR RIGHT TO APPEAL***

Either party to this medical fee dispute has a right to seek review of this decision in accordance with Rule §133.307, effective May 31, 2012, *37 Texas Register 3833*, **applicable to disputes filed on or after June 1, 2012.**

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MFDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

**Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.**